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Western Balkans Investment Framework **WBIF**
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Gateway

WBIF Guidelines for Applicants: TA Round 34



1. WBIF TA Round 34

This is a call for applications for technical assistance grants to support the preparation of infrastructure projects in the intervention area of Environment and Climate and projects for financing by the Reform and Growth Facility (RGF) as reflected in the Beneficiaries' respective indicative lists of RGF projects¹. As such, this is a restricted call.

1.1. Main eligibility criteria

The key priorities of the Economic and Investment Plan for the Western Balkans (EIP), now integrated in the Global Gateway, guide the eligibility criteria of the current round. Moreover, to achieve the goals of the [Growth Plan for the Western Balkans](#), special emphasis is placed on sectors that are likely to function as key multipliers for social and economic development: connectivity, including sustainable transport, decarbonisation, energy, green and digital transitions, as well as education and skills development, with a particular focus on youth.

Applications for public sector TA grant support under the current round are eligible in the following intervention areas: 1) sustainable transport; 2) clean energy; 3) environment and climate; 4) digital future; and 5) human capital development. More details on the eligibility criteria for each intervention area are provided in sections below.

In addition, with a view to leveraging private sector finance and expertise for public investments – in particular when the investment design is complex, the operation of the infrastructure is challenging, or when the fiscal space of the borrower is limited – TA applications for the preparation of investments to be implemented under Public-Private Partnership (PPP) approach are strongly encouraged under the current round. As such, relevant applications should foresee an option analysis of the benefit and opportunity to develop the infrastructure through a Public Private Partnership. This requirement does not apply to applications concerning investments at advanced stages of preparation; in these cases, a justification for not conducting an option analysis must be provided in the application form. In all other cases, when the PPP could not be a viable option anyway, a justification should also be provided in the application. Guidance on the potential for PPP is available on the WBIF website in the library (EPEC studies).

1.1.1. Sustainable transport

Rationale

The Economic and Investment Plan for the Western Balkans sets out that significant investment should be directed towards sustainable transport infrastructure in the Western Balkans. Transport-related measures also feature in the New Growth Plan and in the Reform Agendas, contributing to the objective of integrating the Western Balkan economies into the EU Single Market through the so-called Green Lane initiative or measures related to Intelligent Transport Systems (ITS) or e-freight.

Investments in transport infrastructure should be future-proof and sustainable (e.g. through proper climate risk assessments and adequate mitigation and adaptation measures) in line with the Guidelines for the Implementation of the Green Agenda for the Western Balkans embedded in the Economic and Investment Plan: e.g. rehabilitation of the rail network, deployment of intelligent transport systems, multimodal transport solutions and modal shift. These investments should also be aligned with the Sustainable and Smart Mobility Strategy priorities, the “do no significant harm” principle and the Paris Agreements.

¹ In the case of Bosnia and Herzegovina, who has not yet submitted to the European Commission an indicative list of RGF projects, Bosnia and Herzegovina will need to confirm in section 21.2 of the application form that will submit under this call for applications that the investment in reference will be included in the indicative list of RGF projects that will be submitted to the European Commission.

Fast, efficient and sustainable transport links are crucial, both within the region and with the neighbouring EU Member States in the railway sector.

In June 2024, the Council of the European Union adopted a revised Regulation that includes a Rail Freight Corridor for the Western Balkans. After its adoption, the new Rail Freight Corridor has become an essential tool for coordinated cooperation to improve international freight traffic, and to enhance multimodality in passenger and freight rail transport.

The Core and Extended Core transport networks, with a deadline of 2030 and 2040 completion, respectively, should constitute the foundation of the sustainable multimodal transport network, representing the strategically most important nodes and links of the trans-European transport network according to traffic needs. They should stimulate the development of the entire comprehensive network and enable EU action to concentrate on the Trans-European Transport Network components with the highest European added value, in particular crossborder sections, missing links, multimodal connecting points and major bottlenecks.

The Western Balkans region is affected by a changing climate and has already experienced its severe consequences. The Sustainable and Smart Mobility Strategy for the Western Balkans was developed to set common objectives and a list of common measures for making transport greener, sustainable and healthier for citizens.

Progress should be made on both the implementation of technical standards and connectivity reform measures (e.g. aligning/simplifying border crossing procedures, railway reform including unbundling and third-party access, information systems, maintenance schemes, road safety), thus speeding up the completion of the indicative extension of the Trans-European Transport Network (TEN-T) to the Western Balkans and accelerating full alignment with the EU acquis, namely as regards digital and clean energy technologies.

The regional action plans on Transport Facilitation, Rail, Road, Road Safety and Multimodality shall act as frameworks for investments.

Key areas of intervention

TA applications in the transport sector should aim at preparing investments to be later funded by the RGF, as reflected in the Beneficiaries' respective indicative lists of RGF projects³, and must respect the following eligibility criteria:

Subsector	
Railways infrastructure	<ul style="list-style-type: none">• Rehabilitation of existing and construction of new resilient and smart transport infrastructure on the TEN-T core and extended core railway network
Road infrastructure	<ul style="list-style-type: none">• Rehabilitation of existing and construction of new resilient and smart transport infrastructure on the TEN-T core roads network
Maritime/Inland waterways infrastructure	<ul style="list-style-type: none">• Inland waterways TEN-T Core network• Port infrastructure
Intermodality	<ul style="list-style-type: none">• Terminals/multi-modal hubs
Urban Mobility	<ul style="list-style-type: none">• Rapid urban transit systems

1.1.2. Clean energy

Rationale

The Economic and Investment Plan for the Western Balkans, together with the Guidelines for the Implementation of the Green Agenda for the Western Balkans, set out that support towards energy transition will be reinforced.

Strong emphasis is placed on energy market integration, decarbonisation, clean energy, just transition, increased digitalisation of the system and smart grids, energy efficiency, including modernisation of district heating, and energy security.

Clean Energy also features prominently in the New Growth Plan for the region and in the Reform Agendas of each of the economies. The integration and decarbonisation of energy markets are the main priorities. This will also take into account the need for an equivalent carbon price to the EU Emissions Trading System's carbon price or the application of the Carbon Border Adjustment Mechanism (CBAM) to allow for continued electricity market coupling from 2030 onwards.

In December 2022, the Western Balkans partners made commitments under the Energy Community Treaty concerning the reduction of greenhouse gas emissions, energy efficiency and renewable energy targets by 2030. On this basis, they have developed their respective National Energy and Climate Plans setting out the steps to achieve these targets. Investments funded under the Reform and Growth Facility shall be in line with the Western Balkans partners' Energy and Climate Plans, their Nationally Determined Contribution and ambition to reach climate neutrality by 2050. They shall contribute to the mitigation of climate change and to the ability to adapt to its adverse effects, and foster climate resilience. In particular, funding under the Reform and Growth Facility shall promote the transition towards a decarbonised, climate-neutral, climate-resilient and circular economy.

At the same time, there has been progress in the implementation of renewable energy policies in the Western Balkans, and investments in renewable energy (conventional solar and wind power plants) have started to flow in. However, further investments and policy measures in decarbonising energy production and/or consumption shall be key to delivering decarbonisation targets, including being able to avoid potentially negative consequences of the Carbon Border Adjustment Mechanism (CBAM) and ensuring a just energy transition. The mobilisation of the private sector would contribute to the nascent industrial clean energy ecosystems and can be a regional economic game changer. Progress should be made on transposing the new Electricity Integration Package within the Energy Community to ensure full market integration of Contracting Parties, which includes the six Western Balkans partners, into the single European electricity market.

Key areas of intervention

TA applications in the energy sector should aim at preparing investments to be later funded by the RGF, as reflected in the Beneficiaries' respective indicative lists of RGF projects³, and must respect the following eligibility criteria:

Subsector	
Electricity	<ul style="list-style-type: none">• Transmission lines contributing to market integration (between Western Balkans partners and/or with EU Member States), sustainability (integration and transmission of renewable energy) and security of supply.• Distribution network upgrade• Digitalisation of the network• Energy storage: battery storage and pumped hydro storage
Renewable energy production	<ul style="list-style-type: none">• Rehabilitation of hydropower plants• Innovative renewable energy solution projects (if not supported through

Subsector	
	EFSD+ guarantees and proven not to be revenue-generating)
Energy efficiency	<ul style="list-style-type: none"> Energy efficiency measures for infrastructure in the education sector (from early childhood education to high-level education) and in the health sector (hospitals and health centres)

1.1.3. Environment and climate

Rationale

The Economic and Investment Plan for Western Balkans, together with the Guidelines for the Implementation of the Green Agenda for the Western Balkans, set out that significant investment should be directed towards greening the Western Balkans and mainstreaming environmental and climate requirements in other sectors. WBIF support focuses on the implementation of the plan's flagship on waste and wastewater management.

One of the main goals of the Green Agenda is to reduce water pollution and to address water conservation and flood protection across the region. There is a high share of the population in rural areas (30 to 50%) with only basic sanitary facilities and wastewater collection, while urban areas with collection of wastewater via sewer networks discharge mostly untreated wastewater.

Even though there have been improvements in waste management through the adoption of circular economy principles, there is still much progress to be made in the Western Balkans. Support will be provided to upgrade basic infrastructure in line with relevant EU standards in the area of water and sanitation (including investments in drinking water treatment and supply and sewerage systems covering multiple agglomerations with a regional coverage or in the major cities) and pollution prevention measures.

Moving to a circular economy, addressing waste management, recycling, sustainable production, and efficient use of resources also play a significant role in lowering the carbon footprint.

Key areas of intervention

TA applications in the environment sector should aim at preparing investments to be later funded by EU funds (in particular Sector Operational Programmes/National IPA funds or by WBIF investment grants) and must respect the following eligibility criteria:

Subsector	SOP / national IPA	WBIF
Water management	<ul style="list-style-type: none"> Rehabilitation of existing and construction of new drinking water and wastewater treatment plants (< €15 million (€30 million for Serbia))* River basin management/flood prevention 	<ul style="list-style-type: none"> Rehabilitation of existing and construction of new drinking water and wastewater treatment plants (> €15 million (> €30 million for Serbia))

Waste management	<ul style="list-style-type: none"> • Rehabilitation of existing and construction of new waste management centres (\leq €20 million (\leq €30 million for Serbia))* • Closure of non-compliant landfills • Equipment* 	<ul style="list-style-type: none"> • Rehabilitation of existing and construction of new waste management centres ($>$ €20 million ($>$ €30 million for Serbia)) • Closure of non-compliant landfills, including rehabilitation according to EU standards (only if in association with waste)
Subsector	SOP / national IPA	WBIF
		management centres)
Air quality/noise	<ul style="list-style-type: none"> • Services/ works/ equipment * 	
Nature protection	<ul style="list-style-type: none"> • Management of natural resources, resource protection (deployment of reservoirs, irrigation; green and blue infrastructures; ecosystem restoration and resilience; restoration of carbon rich habitats; water retention)* 	
Industrial pollution/ chemicals	<ul style="list-style-type: none"> • Services (studies) • Cleaning/remediation of local waste dumpsites 	<ul style="list-style-type: none"> • Integrated industrial decarbonisation and depollution solutions

1.1.4. Digital future

Rationale

The Economic and Investment Plan for the Western Balkans calls for the region's digital transition and includes digital infrastructure as one of its ten flagships. Digital transition also features prominently in the New Growth Plan for the region and in the Reform Agendas of each of the economies. Among other reforms, which will be financially supported through the Reform and Growth Facility, the Western Balkan partners are committing to advancing the roll-out of secure and sustainable digital infrastructure in full compliance with the EU's 5G cybersecurity toolbox.

Key areas of intervention

TA applications in the digital sector should aim at preparing investments to be later funded by the RGF, as reflected in the Beneficiaries' respective indicative lists of RGF projects³, and must respect the following eligibility criteria:

Subsector	
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Infrastructure	<ul style="list-style-type: none"> • ultra-fast and secure broadband (including 5G) for governments, households, businesses, education and health, connections with remote areas, connection to EU digital backbones. Full alignment with the EU's 5G cybersecurity toolbox and technology neutrality must be ensured. • secure, energy-efficient, trustworthy and AI-ready data centres, edge and cloud infrastructures, as well as linking to EU initiatives on highperformance computers and/or GEANT programme; these efforts must ensure cyber-resilience • Exploring synergies with other connectivity areas, such as transport and energy, in the context of infrastructure sharing • Investments in improving the digitalisation of infrastructures in the fields of education (from early childhood education to high-level education) and health (hospitals and health centres).
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1.1.5. Infrastructures for human capital development

Rationale

The Economic and Investment Plan for the Western Balkans places strong emphasis on investments in infrastructure that unleash the potential of human capital development, among others, in the fields of education and skills, research and innovation, which the new Growth Plan for the Western Balkans and the respective national Reform Agendas have fully taken forward.

Key areas of intervention

TA applications in the human capital development sector should aim at preparing investments to be later funded by the RGF, as reflected in the Beneficiaries' respective indicative lists of RGF projects³, and must respect the following eligibility criteria:

Subsector	WBIF
Education & Skills	<ul style="list-style-type: none"> • Infrastructure investments necessary for implementation of concrete reforms included in Reform Agenda
Social inclusion	<ul style="list-style-type: none"> • Infrastructure investments necessary for implementation of concrete reforms included in Reform Agenda
Employment	<ul style="list-style-type: none"> • Infrastructure investments necessary for implementation of concrete reforms included in Reform Agenda

1.2. Additional eligibility criteria

- The underlying investment projects of technical assistance grants must be endorsed by the Ministry of Finance, unless no financing from the national budget is expected (e.g. projects under the responsibility of a municipality).
- TA applications must support preparatory work for eligible investment projects. For example, without limitation, masterplans, (pre)feasibility studies, cost-benefit analyses, environmental and social impact assessments, comprehensive risk assessments, including disasters and climate change risks and vulnerability, preliminary and detailed designs, targeted capacity building and implementation support (including tender documents preparation, procurement assistance), sector development studies, and general capacity building.

- Activities related to the technical review, check and verification of any project design(s) as per national legislation, other activities specific to the urban planning and/or land ownership (e.g. the preparation of urban plans, documentation for land expropriation, etc.) that fall under the Beneficiary's responsibility as part of its due diligence and control for the project management are not eligible for grant funding.
- Support for overcoming specific obstacles delaying project preparation or implementation may be accepted, provided that for faltering projects, the grant application provides a thorough analysis of the causes and a clear and logical use of the grant to drive their progress.
- For projects with preparatory studies under development (e.g. the feasibility study is under preparation), grant financing for the next stage will not be provided until those studies are completed and the beneficiary and Lead IFI approve their results. Similarly, additional grant financing will not be considered when a grant has already been awarded but not disbursed.
- To ensure efficient use of resources, proposals should reflect the logical sequence of the project cycle and, therefore, should be confined to immediate needs. For example, if a feasibility study is required, assistance for designs and tender documents should not be part of the grant request but rather be applied for in the future if the feasibility study proves positive.
- TA applications for the preparation of investments to be implemented under a PPP approach are encouraged under the current round. As such, relevant applications should foresee an option analysis of the benefit and opportunity to develop the infrastructure through a Public Private Partnership. This requirement does not apply to applications concerning investments at advanced stages of preparation; in these cases, a justification for not conducting an option analysis must be provided in the application form. In all other cases, when the PPP could not be a viable option anyway, a justification should also be provided in the application. Guidance on the potential for PPP is available on the WBIF website in the library (EPEC studies).

1.3. Maximum co-financing rates for WBIF technical assistance grants

The WBIF grant can finance 100% of the costs for technical assistance.

1.4. Guidelines for phased TA submission and application form

This section provides guidance on the use of the “new phased TA application form”.

1.4.1. General overview

The TA application form is split into 2 phases. The first phase application form contains information required to enable a meaningful understanding of the application in line with the policy framework. Once the application passes the first phase, the second phase starts. In this second phase application form, applicants must complete additional sections during the assessment phase. DG ENEST will offer targeted capacity-building to a limited number of interested beneficiaries to support them in the preparation of the sections of the Phase 2 application form concerning the Terms of Reference. To be eligible to this support, applicants must express their interest in section 28.1 of the Phase 1 application form. DG ENEST will take a decision on the support to be provided based on the number of expressions of interest received and the available resources.

1.4.2. Terms of Reference

The complete application form will contain the Terms of Reference (ToR), whose content is included in the following sections (some of them are already included in Phase 1 application form).

Section	Title

2	Grant code
7	Beneficiaries
10	Action/Grant Application name
11	Lead IFI
14	Total WBIF grant amount (€)
16	Implementation of TA activities
17	Responsible authority of the Beneficiary
18	Implementing entity(ies)
19.1	Background and context of the Project
19.2	Needs/demand analysis
19.3	Project map
19.4	Project description
19.5	Reference documents
21.1	Alignment with the Economic and Investment Plan for the Western Balkans
21.2	Alignment with the Growth Plan and the Reform and Growth Facility for the Western
Section	Title
	Balkans
21.3	Alignment with Green Agenda objectives
21.4	Compliance with adopted national/sectoral/regional strategies
23.1	Description of entities involved
23.2	Organisational set-up
28.2	Detailed scope of work and results for TA grant activities (the Action)
31.2	Detailed planning of TA activities

Following approval by the OB, the MIS will automatically generate the ToR and these will be uploaded to the MIS under the grant attachments. From this point, the ToR are passed on to the EIB for IPFimplemented TA or to the Lead IFI for Joint Fund financed TA.